

**Mississippi Secretary of State**  
700 North Street P. O. Box 136, Jackson, MS 39205-0136

**ADMINISTRATIVE PROCEDURES NOTICE FILING**

AGENCY NAME Mississippi State Department of Health		CONTACT PERSON William F. Moody	TELEPHONE NUMBER 601-576-7518	
ADDRESS 570 East Woodrow Wilson, Suite 232		CITY Jackson	STATE MS	ZIP 39215
EMAIL wmoody@msdh.state.ms.us	SUBMIT DATE 5/31/2011	Name or number of rule(s): Draft FY-2011 Intended Use Plan Amendment #1 for the DWSIRLF		

Short explanation of rule/amendment/repeal and reason(s) for proposing rule/amendment/repeal: \_\_\_\_\_  
This will be the Draft FY-2011 Intended Use Plan Amendment #1 which will show projects to be funded and the terms of the assistance for Drinking Water Systems Improvements Revolving Loan Fund.

Specific legal authority authorizing the promulgation of rule: Mississippi Code Ann. § 41-3-16

List all rules repealed, amended, or suspended by the proposed rule: \_\_\_\_\_

**ORAL PROCEEDING:**

- ☒ An oral proceeding is scheduled for this rule on Date: 6/24/11 Time: 9:00am Place: Mississippi State Department of Health  
2423 North State Street, Underwood -232  
Jackson, MS 39215
- ☐ Presently, an oral proceeding is not scheduled on this rule.

If an oral proceeding is not scheduled, an oral proceeding must be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) or more persons. The written request should be submitted to the agency contact person at the above address within twenty (20) days after the filing of this notice of proposed rule adoption and should include the name, address, email address, and telephone number of the person(s) making the request; and, if you are an agent or attorney, the name, address, email address, and telephone number of the party or parties you represent. At any time within the twenty-five (25) day public comment period, written submissions including arguments, data, and views on the proposed rule/amendment/repeal may be submitted to the filing agency.

**ECONOMIC IMPACT STATEMENT:**

- ☒ Economic impact statement not required for this rule. ☐ Concise summary of economic impact statement attached.

TEMPORARY RULES	PROPOSED ACTION ON RULES	FINAL ACTION ON RULES
_____ Original filing _____ Renewal of effectiveness To be in effect in _____ days Effective date: _____ Immediately on _____ Other (specify): _____	<b>Action proposed:</b> _____ New rule(s) <input checked="" type="checkbox"/> Amendment to existing rule(s) _____ Repeal of existing rule(s) _____ Adoption by reference <b>Proposed date of adoption:</b> _____ 30 days after filing <input checked="" type="checkbox"/> Other (specify): <u>6/27/2011</u>	<b>Action taken:</b> _____ Adopted with no changes in text _____ Adopted with changes _____ Adopted by reference _____ Withdrawn _____ Repeal adopted as proposed <b>Effective date:</b> _____ 30 days after filing _____ Other (specify): _____

Printed name and Title of person authorized to file rules: William F. Moody, Director, Drinking Water State Revolving Loan Fund

Signature of person authorized to file rules: \_\_\_\_\_

OFFICIAL FILING STAMP	DO NOT WRITE BELOW THIS LINE OFFICIAL FILING STAMP	OFFICIAL FILING STAMP
Accepted for filing by		Accepted for filing by

The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.



## LOCAL GOVERNMENTS AND RURAL WATER SYSTEMS IMPROVEMENTS BOARD

### MEMORANDUM

Date: May 31, 2011

To: Mayors, Presidents of Boards of Supervisors, County Administrators, Presidents of Rural Water Associations, Consulting Engineers, and Other Interested Parties

From: James H. Craig, III, Chairman  
Local Governments and Rural Water Systems Improvements Board (Board)

Subject: Drinking Water Systems Improvements Revolving Loan Fund (DWSIRLF) Program  
Draft FY-2011 Intended Use Plan (IUP) Amendment #1

#### **Draft FY-2011 Intended Use Plan Amendment #1**

By means of this memorandum, the Draft FY-2011 IUP Amendment #1 is out for public notice and review. The Board has established a public comment period on this document through June 24, 2011. Accordingly, written comments on this document must be received at the address below no later than 9:00 a.m. on June 24, 2011. Also, the Board will hold a public hearing at 9:00 a.m., June 24, 2011, in the Underwood Building, room 232, in the offices of the Mississippi State Department of Health (MSDH)-Bureau of Public Water Supply, located at 2423 North State Street, in Jackson, MS, to receive written or oral comments on the Draft FY-2011 IUP Amendment #1. The Board will consider all comments timely submitted, regardless of the manner of tender.

The Draft FY-2011 Priority List, which identifies projects proposed to receive loan funding, is shown on page 24 of the Draft FY-2011 IUP Amendment #1. The Draft FY-2011 Priority List was developed based on the following assumptions of available funds: (1) the Federal FY-2011 appropriation for the Drinking Water State Revolving Fund (DWSRF) is estimated to be \$963 million; (2) the State of Mississippi's allotment percentage for the FY-2011 Standard Capitalization Grant will be at 1.04% of the Federal appropriation, after deduction of Federal set-asides; (3) the required 20% state match funds for the FY-2011 Standard Capitalization Grant has been provided through general obligation bonds; and (4) there is no administrative fee.

The Draft FY-2011 IUP Amendment #1 proposes a 1.95% interest rate on all FY-2011 loan ; does limit loan applicants to only one loan during FY-2011; limits the maximum amount for any one loan to \$5.0 million; and contains a list of drinking water systems improvements projects to receive loan funds which has prioritized in accordance with criteria previously approved by the Board. Additionally, loans made from the Standard Capitalization Grant funds during FY-2011 will receive additional subsidization in the form of principal forgiveness dependent upon federally mandated grant provisions, qualifications, and as long as the designated money is available. The amount of principal forgiveness is based on the system's median household income (MHI) vs. the State's MHI. Details on amount to be forgiven per system are found on page 16 and listed on the Draft FY-2011 Priority list and the FY-2012 Planning Lists of the IUP.

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The Board urges all applicants with projects on the FY-2011 Priority List to pay particular attention to Sections A. (pages 13-16) and D. of the Priority System (page 22) which establishes guidelines for the use of funds associated with the federal appropriations and certain deadlines for FY-2011 projects. These deadlines have been established to insure that funds are reserved only for projects that are proceeding in a timely manner toward loan award.

Potential loan recipients with projects shown on the FY-2012 and After Planning List are strongly encouraged to continue working on their projects. Additional funds may become available for award should funded projects fail to meet the established deadlines within the priority system. These released funds will be made available on a first-come-first-served basis to FY-2011 "catch-up" projects which proceed and meet all requirements for loan award in FY-2011.

The federal appropriation identifies principal forgiveness as a provisional requirement; that is once the amount of the required "forgiveness" is achieved, the program will resume with normal loan parameters. Furthermore, the appropriation will require that 20% of the funds must go to the construction of "Green Infrastructure" as defined in EPA guidelines. To achieve this requirement, projects of higher ranking may be by-passed by lower ranked projects.

If you are interested in a low interest loan for a project with potential principal forgiveness, you must **act quickly** to submit a ranking form and get started on your facilities plan in the event that additional funding is made available. The ranking form is available at the website listed below.

Copies of the Draft FY-2011 IUP Amendment #1 are being mailed to those prospective loan recipients who have projects listed on the FY-2011 Priority List or the FY-2012 and After Planning List, their consulting engineers, and those parties who have requested to have their names placed on the Priority System Mailing List. If you did not receive a copy of these documents, but would like one, you can download a copy from the MSDH website at [www.healthymms.com/dwsrf](http://www.healthymms.com/dwsrf), or contact Jennifer King at (601) 576-7518, and a copy or copies will be mailed to you.

We look forward to receiving your input on these documents. If you have any questions, or if we can be of assistance, please contact Ulysses Conley at (601) 576-7518.

Enclosures